

## Message Text

CONFIDENTIAL

PAGE 01 LA PAZ 01515 191308 Z

46

ACTION EB-11

INFO OCT-01 ARA-11 ADP-00 INT-08 GSA-01 OEP-01 AID-20

NSC-10 RSC-01 CIEP-02 SAL-01 SS-14 STR-08 OMB-01

CEA-02 CIAE-00 COME-00 FRB-02 INR-09 NSAE-00 TRSE-00

XMB-07 OPIC-12 LAB-06 SIL-01 DODE-00 PA-03 USIA-12

PRS-01 L-03 H-02 RSR-01 /151 W  
----- 089879

R 171553 Z MAR 73

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 9336

INFO USCINCSO

C O N F I D E N T I A L LA PAZ 1515

USCINCSO FOR POLAD

E. O. 11652: GDS

TAGS: BBAK BDIS EIND EMIN PFOR BL

SUBJ: IMPLICATIONS OF TIN PRICE DROP FOR BOLIVIA

REF: LA PAZ 1511

BELIEVE IT PERTINENT TO NOTE THAT IMPACT OF ANNOUNCEMENT  
ALONE OF PLAN TO SELL RESERVES ( PARA 3 REFTTEL) HAS IN TWO DAYS  
CAUSED

TIN PRICE TO DROP FROM OVER US\$2.00 PER POUND TO US\$1.87  
PER POUND. WHAT FURTHER EFFECTS THERE MIGHT BE, AND ESPECIALLY THE  
EFFECTS OF ACTUAL SELLING, REMAIN TO BE SEEN. BUT DOUBTLESS WILL BE  
FURTHER DROP. AS FOR EFFECT ON BOLIVIA, USG SHOULD BE AWARE THAT  
IMF HAS CALCULATED US\$1.88 PER POUND AS THE PRICE, AFTER  
BOLIVIA' S DEVALUATION LAST YEAR, AT WHICH BOLIVIA STAYS EVEN IN  
REAL TERMS. ANY FURTHER DROP WILL NOT ONLY BE DENYING BOLIVIA SUCH  
PASSING BENEFITS AS IT HAS RECEIVED FROM RECENT WINDFALLS DUE TO  
SPECULATION, BUT WILL CUT INTO REAL EARNINGS IN SUCH A WAY AS TO  
WORK TOWARDS DEFEAT OF THE STABILIZATION PROGRAM WHICH WE URGED  
BOLIVIA  
TO UNDERTAKE AND BACKED WITH MILLIONS OF DOLLARS IN DIRECT SUPPORT.  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LA PAZ 01515 191308 Z

THE USG IS SURELY AWARE THAT PRESERVATION OF STABILITY IN BOLIVIA  
AND OF THE BANZER GOVERNMENT, WHICH ACCORDS WITH OUR OWN  
INTEREST,  
DEPENDS LARGELY ON THE SUCCESS OF THE STABILIZATION PROGRAM.  
SIRACUSA

CONFIDENTIAL

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* CONFIDENTIAL

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PFOR BL  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 MAR 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973LAPAZ01515  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** RR  
**Errors:** n/a  
**Film Number:** n/a  
**From:** LA PAZ  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730331/aaaahxvy.tel  
**Line Count:** 74  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 LA PAZ 1511  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 15 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <15-Jan-2002 by martinjw>; APPROVED <05-Feb-2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** <DBA CORRECTED> srp 971211  
**Subject:** IMPLICATIONS OF TIN PRICE DROP FOR BOLIVIA  
**TAGS:** BBAK, BDIS, EIND, EMIN, PBOR, BL  
**To:** EB  
**SECSTATE WASHDC INFO USCINCSO**  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005